

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In Re:)
)
JOOS ELECTRIC COMPANY, INC.) Bankruptcy No. 10-30684
) Chapter 11
)
Debtor.)

STIPULATION FOR ADEQUATE PROTECTION

This stipulation, entered into by JOOS ELECTRIC COMPANY, INC., the debtor, and the United States of America, on behalf of the Internal Revenue Service (IRS), a secured creditor herein, shall constitute consent of the United States for the debtor's use of cash collateral and other assets securing federal tax liens.

1. The petition commencing this case was filed on February 3, 2010.

2. Prior to the filing of the petition, a duly authorized delegate of the Secretary of the Treasury filed notices of federal tax lien for tax liabilities of the debtor, copies of which are attached hereto as Exhibit A.

3. The federal tax liens encumbered all property or rights to property belonging to the debtor and secured unpaid taxes, penalties and interest owed by the debtor.

Bankruptcy Case No. 09-34366

4. The debtor's property securing the claims of the IRS included cash collateral within the meaning of 11 U.S.C. § 363(a).

5. The debtor needs to use cash collateral to fund its operations.

6. The IRS is willing to consent to the debtor's use of the cash collateral in which it holds a secured interest. This stipulation will enable the debtor to continue business operations during the period of this agreement, and is necessary to provide the IRS with adequate protection as defined in 11 U.S.C. § 361.

7. To provide adequate protection for the secured claim of the IRS during the term of this agreement, the debtor will do the following:

a. The IRS shall be granted a replacement lien in Debtor's post-petition assets, including without limitation cash and cash equivalents, equipment, contract rights, general intangibles and all other post-petition property of the debtor, together with the proceeds and products thereof. Said replacement lien shall be of the same priority, dignity and effect as the IRS' pre-petition liens. This lien and security agreement shall be in

Bankruptcy Case No. 09-34366

addition to the liens that the IRS had in the assets and property of the debtor as of the petition date, which liens extend to and encumber the proceeds and products of the property of the debtor in existence at the time the bankruptcy petition was filed.

b. The debtor agrees to maintain cash and receivables in the approximate amount of its cash and accounts receivable on the filing date of the petition.

c. The debtor shall file any past due tax returns (including, but not limited to, income, excise, employment and unemployment returns) within thirty (30) days of the execution of this agreement and will provide proof of filing to the IRS. Said thirty day period may be extended for particular returns by the IRS in its sole discretion upon a showing the debtor of reasonable cause.

d. The debtor will pay each federal tax deposit as it accrues, when payroll is made, through a federal depository and will submit proof of deposit to the IRS within three (3) working days of the deposit.

e. The debtor shall file all tax returns for periods ending after the filing of the bankruptcy petition on or before the due date, and shall pay any balance due upon filing the

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return. Proof of filing and payment will be provided to the IRS within three (3) working days of filing and payment.

f. The debtor represents that all funds received since the petition date or which will be received while this case is pending will be deposited in the debtor-in-possession bank account or accounts and that all expenses of the debtor while this case is pending will be paid from such accounts. The debtor shall not prepay expenses except in the ordinary course of business.

g. The debtor shall not use cash collateral while this agreement is in effect for any purpose which is not authorized by the Bankruptcy Code or by an order of the court. The parties to this stipulation agree that the Bankruptcy Code will allow the debtor to pay normal post-petition expenses incurred in the ordinary course of business.

h. The IRS shall have access to and the right to inspect the debtor's assets and properties during business hours.

i. The debtor will provide the IRS with the following financial information:

i. Monthly reports of the debtor's cash and accounts receivable. The debtor shall also provide

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reports stating collections of accounts receivable made during the prior month;

ii. Monthly reports on the debtor's cash flow, including major sources of cash receipt and expenditures by general categories; and

iii. The monthly financial statements which the debtor is obligated to file with the court.

All of the monthly financial information will be provided to the IRS by the 15th day of the following month.

j. Upon reasonable notice, the debtor will permit the IRS to inspect, review and copy any financial records of the debtor. These records will be made available at the debtor's place of business.

k. The debtor shall pay accrued post-petition interest to the IRS. Debtor shall pay the amount of \$865.00 per month. The first such payment shall be due May 3, 2010. Subsequent payments will be made on the 1st day of each month thereafter commencing on June 1, 2010, and shall continue each month thereafter until confirmation. Any balance of accrued post-petition interest that the debtor has not paid pursuant to this agreement as of confirmation of any plan shall be due immediately upon confirmation.

Bankruptcy Case No. 09-34366

1. The debtor will provide the IRS with proof of insurance on its real and personal property by March 15, 2010.

m. No salaries or other compensation or draws will be paid to insiders of the debtor in excess of the amounts of their regular compensation as of the date the debtor's Chapter 11 petition. If the debtor proposes to make payments to insiders other than as disclosed above, the debtor shall give notice to the Internal Revenue Service at least ten (10) days prior to making such payments.

8. Nothing in this stipulation shall constitute an admission by the IRS that the protection provided to it shall not at some time become inadequate to fully and properly protect its interests and at any time IRS may apply to the court for additional adequate protection. Further, nothing in this stipulation shall bind the Internal Revenue Service or constitute an agreement by it to treatment of its claims under any plan of reorganization. Provided however, nothing in this stipulation shall in any way limit the debtor's right to object to the IRS claim or otherwise request that the Court determine the amounts, and the nature of such amounts, owed by the debtor to the IRS.

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9. The debtor's failure to timely perform or to otherwise timely comply with any of the conditions of adequate protection provided in this stipulation is a default. If the debtor defaults in any of the conditions of adequate protection provided in this stipulation, the IRS may provide the debtor with written notice of such default by facsimile transmission or mail to debtor's counsel of record. If debtor's have not cured such default within five (5) business days after such notice of default is mailed, the consent of the IRS to the debtor's continued use of the cash collateral shall be deemed withdrawn.

10. This agreement is subject to the approval of the United States Bankruptcy Court for the District of Minnesota.

11. All returns, monthly payments, monthly reports, proof of deposits, proof of insurance, tax returns, financial statements required by this stipulation to be filed with, or submitted to, the IRS shall be sent or delivered to:

Insolvency Unit, Internal Revenue Service

Attention: Eileen Barr
30 East 7th Street, Suite 1222
Stop 5700STP
St. Paul, Minnesota 55101.

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Notices to the debtor pursuant to this stipulation will be sent
or delivered to:

JOOS ELECTRIC COMPANY, INC.
3010 Lunar Lane
Eagan, MN 55121

and to debtor's attorney of record.

Bankruptcy Case No. 09-34366

12. This agreement shall continue until the earlier of the termination of this agreement by a default and failure to cure by debtor or the confirmation of a plan in this case, whichever occurs first.

B. Todd Jones
United States Attorney

Dated: 3/2/10

By: Lisa Woods
LISA R. WOODS
Special Assistant United States
Attorney
Attorney No. 189316 (CA)
Cray Plaza, Suite 650
380 Jackson Street
St. Paul, MN 55101
Tel: (651) 726-7375

ATTORNEY FOR UNITED STATES
INTERNAL REVENUE SERVICE

Dated: 3/2/10

William A. Vincent
WILLIAM A. VINCENT
Attorney No. 020836X
William A. Vincent, P.A.
17736 Excelsior Boulevard
Minnetonka, MN 55345
Tel. No. (952) 401-8889

ATTORNEY FOR DEBTOR

1872

COURT RECORDING DATA

INTERNAL REVENUE SERVICE FACSIMILE FEDERAL TAX LIEN DOCUMENT BANKRUPTCY DOCKET: 10-30684	Lien Recorded : 02/04/2009 - 16:01PM Recording Number: 511680109 UCC Number : Liber : Page :
Area: SMALL BUSINESS/SELF EMPLOYED #4 Lien Unit Phone: (800) 913-6050	IRS Serial Number: 511680109

This Lien Has Been Filed in Accordance with
Internal Revenue Regulation 301.6323(f)-1.

Name of Taxpayer:

JOOS ELECTRIC CO, a Corporation

Residence:

3010 LUNAR LN
EAGAN, MN 55121-2218

With respect to each assessment below, unless notice of lien
is refiled by the date in column(e), this notice shall constitute
the certificate of release of lien as defined in IRC 6325(a).

Form (a)	Period (b)	ID Number (c)	Assessed (d)	Refile Deadline (e)	Unpaid Balance (f)
941	09/30/2008	41-1628065	12/15/2008	01/14/2019	\$66,982.13

Filed at: SECRETARY OF STATE SECRETARY OF STATE E ST PAUL, MN 55155	Total	\$66,982.13
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This notice was prepared and executed at CHICAGO, IL
on this, the 27th day of January, 2009.

Authorizing Official:
KIRK ALBRIGHT

Title:
REVENUE OFFICER 24-01-2825

Exhibit A.

1872

COURT RECORDING DATA

INTERNAL REVENUE SERVICE FACSIMILE FEDERAL TAX LIEN DOCUMENT BANKRUPTCY DOCKET: 10-30684	Lien Recorded : 02/04/2009 - 17:00PM Recording Number: UCC Number : Liber : Page :
Area: SMALL BUSINESS/SELF EMPLOYED #4 Lien Unit Phone: (800) 913-6050	IRS Serial Number: 511680209

This Lien Has Been Filed in Accordance with
Internal Revenue Regulation 301.6323(f)-1.

Name of Taxpayer:

JOOS ELECTRIC CO, a Corporation

Residence:

3010 LUNAR LN
EAGAN, MN 55121-2218

With respect to each assessment below, unless notice of lien
is refiled by the date in column(e), this notice shall constitute
the certificate of release of lien as defined in IRC 6325(a).

Form (a)	Period (b)	ID Number (c)	Assessed (d)	Refile Deadline (e)	Unpaid Balance (f)
941	09/30/2008	41-1628065	12/15/2008	01/14/2019	\$66,982.13

Filed at: COUNTY RECORDER
DAKOTA E
HASTINGS, MN 55033

Total

\$66,982.13

This notice was prepared and executed at CHICAGO, IL
on this, the 27th day of January, 2009.

Authorizing Official:
KIRK ALBRIGHT

Title:
REVENUE OFFICER 24-01-2825

1872

COURT RECORDING DATA

INTERNAL REVENUE SERVICE FACSIMILE FEDERAL TAX LIEN DOCUMENT BANKRUPTCY DOCKET: 10-30684	Lien Recorded : 07/06/2009 - 11:26AM Recording Number: 559908509 UCC Number : Liber : Page :
Area: SMALL BUSINESS/SELF EMPLOYED #4 Lien Unit Phone: (800) 913-6050	IRS Serial Number: 559908509

This Lien Has Been Filed in Accordance with
Internal Revenue Regulation 301.6323(f)-1.

Name of Taxpayer:

JOOS ELECTRIC CO, a Corporation

Residence:

3010 LUNAR LN
EAGAN, MN 55121-2218

With respect to each assessment below, unless notice of lien
is refiled by the date in column(e), this notice shall constitute
the certificate of release of lien as defined in IRC 6325(a).

Form (a)	Period (b)	ID Number (c)	Assessed (d)	Refile Deadline (e)	Unpaid Balance (f)
941	12/31/2008	41-1628065	06/08/2009	07/08/2019	\$33,497.32

Filed at: SECRETARY OF STATE SECRETARY OF STATE E ST PAUL, MN 55155	Total	\$33,497.32
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This notice was prepared and executed at CHICAGO, IL
on this, the 24th day of June, 2009.

Authorizing Official:

KIRK ALBRIGHT

Title:

REVENUE OFFICER

24-01-2825

1872

COURT RECORDING DATA

INTERNAL REVENUE SERVICE FACSIMILE FEDERAL TAX LIEN DOCUMENT BANKRUPTCY DOCKET: 10-30684	Lien Recorded : 07/06/2009 - 17:00PM Recording Number: UCC Number : Liber : Page :
Area: SMALL BUSINESS/SELF EMPLOYED #4 Lien Unit Phone: (800) 913-6050	IRS Serial Number: 559908609

This Lien Has Been Filed in Accordance with
Internal Revenue Regulation 301.6323(f)-1.

Name of Taxpayer:

JOOS ELECTRIC CO, a Corporation

Residence:

3010 LUNAR LN
EAGAN, MN 55121-2218

With respect to each assessment below, unless notice of lien
is refiled by the date in column(e), this notice shall constitute
the certificate of release of lien as defined in IRC 6325(a).

Form (a)	Period (b)	ID Number (c)	Assessed (d)	Refile Deadline (e)	Unpaid Balance (f)
941	12/31/2008	41-1628065	06/08/2009	07/08/2019	\$33,497.32

Filed at: COUNTY RECORDER
DAKOTA E
HASTINGS, MN 55033

Total

\$33,497.32

This notice was prepared and executed at CHICAGO, IL
on this, the 24th day of June, 2009.

Authorizing Official:
KIRK ALBRIGHT

Title:
REVENUE OFFICER 24-01-2825

1872

COURT RECORDING DATA

INTERNAL REVENUE SERVICE FACSIMILE FEDERAL TAX LIEN DOCUMENT BANKRUPTCY DOCKET: 10-30684	Lien Recorded : 07/22/2009 - 10:33AM Recording Number: 564978809 UCC Number : Liber : Page :
Area: SMALL BUSINESS/SELF EMPLOYED #4 Lien Unit Phone: (800) 913-6050	IRS Serial Number: 564978809

This Lien Has Been Filed in Accordance with
Internal Revenue Regulation 301.6323(f)-1.

Name of Taxpayer:

JOOS ELECTRIC CO, a Corporation

Residence:

3010 LUNAR LN

EAGAN, MN 55121-2218

With respect to each assessment below, unless notice of lien
is refiled by the date in column(e), this notice shall constitute
the certificate of release of lien as defined in IRC 6325(a).

Form (a)	Period (b)	ID Number (c)	Assessed (d)	Refile Deadline (e)	Unpaid Balance (f)
940	12/31/2008	41-1628065	06/15/2009	07/15/2019	\$965.87
941	03/31/2009	41-1628065	06/22/2009	07/22/2019	562,686.78

Filed at: SECRETARY OF STATE SECRETARY OF STATE E ST PAUL, MN 55155	Total	\$63,652.65
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This notice was prepared and executed at CHICAGO, IL
on this, the 14th day of July, 2009.

Authorizing Official:
KIRK ALBRIGHT

Title:
REVENUE OFFICER 24-01-2825

1872

COURT RECORDING DATA

INTERNAL REVENUE SERVICE FACSIMILE FEDERAL TAX LIEN DOCUMENT BANKRUPTCY DOCKET: 10-30684	Lien Recorded : 07/22/2009 - 17:00PM Recording Number: UCC Number : Liber : Page :
Area: SMALL BUSINESS/SELF EMPLOYED #4 Lien Unit Phone: (800) 913-6050	IRS Serial Number: 564978909

This Lien Has Been Filed in Accordance with
Internal Revenue Regulation 301.6323(f)-1.

Name of Taxpayer:

JOOS ELECTRIC CO, a Corporation

Residence:

3010 LUNAR LN
EAGAN, MN 55121-2218

With respect to each assessment below, unless notice of lien
is refiled by the date in column(e), this notice shall constitute
the certificate of release of lien as defined in IRC 6325(a).

Form (a)	Period (b)	ID Number (c)	Assessed (d)	Refile Deadline (e)	Unpaid Balance (f)
940	12/31/2008	41-1628065	06/15/2009	07/15/2019	\$965.87
941	03/31/2009	41-1628065	06/22/2009	07/22/2019	562,686.78

Filed at: COUNTY RECORDER
DAKOTA E
HASTINGS, MN 55033

Total

\$63,652.65

This notice was prepared and executed at CHICAGO, IL
on this, the 14th day of July, 2009.

Authorizing Official:
KIRK ALBRIGHT

Title:
REVENUE OFFICER 24-01-2825

1872

COURT RECORDING DATA

INTERNAL REVENUE SERVICE FACSIMILE FEDERAL TAX LIEN DOCUMENT BANKRUPTCY DOCKET: 10-30684	Lien Recorded : 10/30/2009 - 17:00PM Recording Number: 592629409 UCC Number : Liber : Page :
Area: SMALL BUSINESS/SELF EMPLOYED #4 Lien Unit Phone: (800) 913-6050	IRS Serial Number: 592629409

This Lien Has Been Filed in Accordance with
Internal Revenue Regulation 301.6323(f)-1.

Name of Taxpayer:

JOOS ELECTRIC CO, a Corporation

Residence:

3010 LUNAR LN
EAGAN, MN 55121-2218

With respect to each assessment below, unless notice of lien
is refiled by the date in column(e), this notice shall constitute
the certificate of release of lien as defined in IRC 6325(a).

Form (a)	Period (b)	ID Number (c)	Assessed (d)	Refile Deadline (e)	Unpaid Balance (f)
941	06/30/2009	41-1628065	09/28/2009	10/28/2019	\$52,693.87

Filed at: SECRETARY OF STATE SECRETARY OF STATE E ST PAUL, MN 55155	Total	\$52,693.87
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This notice was prepared and executed at CHICAGO, IL
on this, the 22nd day of October, 2009.

Authorizing Official:
KIRK ALBRIGHT

Title:
REVENUE OFFICER 24-01-2825

1872

COURT RECORDING DATA

INTERNAL REVENUE SERVICE FACSIMILE FEDERAL TAX LIEN DOCUMENT BANKRUPTCY DOCKET: 10-30684	Lien Recorded : 10/30/2009 - 17:00PM Recording Number: UCC Number : Liber : Page :
Area: SMALL BUSINESS/SELF EMPLOYED #4 Lien Unit Phone: (800) 913-6050	IRS Serial Number: 592629509

This Lien Has Been Filed in Accordance with
Internal Revenue Regulation 301.6323(f)-1.

Name of Taxpayer:

JOOS ELECTRIC CO, a Corporation

Residence:

3010 LUNAR LN
EAGAN, MN 55121-2218

With respect to each assessment below, unless notice of lien
is refiled by the date in column(e), this notice shall constitute
the certificate of release of lien as defined in IRC 6325(a).

Form (a)	Period (b)	ID Number (c)	Assessed (d)	Refile Deadline (e)	Unpaid Balance (f)
941	06/30/2009	41-1628065	09/28/2009	10/28/2019	\$52,693.87

Filed at: COUNTY RECORDER
DAKOTA E
HASTINGS, MN 55033

Total

\$52,693.87

This notice was prepared and executed at CHICAGO, IL
on this, the 22nd day of October, 2009.

Authorizing Official:
KIRK ALBRIGHT

Title:
REVENUE OFFICER 24-01-2825

1872

COURT RECORDING DATA

INTERNAL REVENUE SERVICE FACSIMILE FEDERAL TAX LIEN DOCUMENT BANKRUPTCY DOCKET: 10-30684	Lien Recorded : 01/29/2010 - 11:40AM Recording Number: 618221510 UCC Number : Liber : Page :
Area: SMALL BUSINESS/SELF EMPLOYED #4 Lien Unit Phone: (800) 913-6050	IRS Serial Number: 618221510

This Lien Has Been Filed in Accordance with
Internal Revenue Regulation 301.6323(f)-1.

Name of Taxpayer:

JOOS ELECTRIC CO, a Corporation

Residence:

3010 LUMAR LN
EAGAN, MN 55121-0000

With respect to each assessment below, unless notice of lien
is refiled by the date in column(e), this notice shall constitute
the certificate of release of lien as defined in IRC 6325(a).

Form (a)	Period (b)	ID Number (c)	Assessed (d)	Refile Deadline (e)	Unpaid Balance (f)
941	09/30/2009	41-1628065	12/28/2009	01/27/2020	\$24,450.52

Filed at: SECRETARY OF STATE SECRETARY OF STATE E ST PAUL, MN 55155	Total	\$24,450.52
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This notice was prepared and executed at CHICAGO, IL
on this, the 20th day of January, 2010.

Authorizing Official:
KIRK ALBRIGHT

Title:
REVENUE OFFICER 24-01-2825

1872

COURT RECORDING DATA

INTERNAL REVENUE SERVICE FACSIMILE FEDERAL TAX LIEN DOCUMENT BANKRUPTCY DOCKET: 10-30684	Recording Number: UCC Number : Liber : Page :
Area: SMALL BUSINESS/SELF EMPLOYED #4 Lien Unit Phone: (800) 913-6050	IRS Serial Number: 618221610

This Lien Has Been Filed in Accordance with
Internal Revenue Regulation 301.6323(f)-1.

Name of Taxpayer:

JOOS ELECTRIC CO, a Corporation

Residence:

3010 LUMAR LN
EAGAN, MN 55121-0000

With respect to each assessment below, unless notice of lien
is refiled by the date in column(e), this notice shall constitute
the certificate of release of lien as defined in IRC 6325(a).

Form (a)	Period (b)	ID Number (c)	Assessed (d)	Refile Deadline (e)	Unpaid Balance (f)
941	09/30/2009	41-1628065	12/28/2009	01/27/2020	\$24,450.52

Filed at: COUNTY RECORDER DAKOTA E HASTINGS, MN 55033	Total	\$24,450.52
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This notice was prepared and executed at CHICAGO, IL
on this, the 20th day of January, 2010.

Authorizing Official: KIRK ALBRIGHT	Title: REVENUE OFFICER 24-01-2825
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1872

COURT RECORDING DATA

INTERNAL REVENUE SERVICE FACSIMILE FEDERAL TAX LIEN DOCUMENT BANKRUPTCY DOCKET: 10-30684	Lien Recorded : 04/10/2009 - 09:29AM Recording Number: 531279909 UCC Number : Liber : Page :
Area: SMALL BUSINESS/SELF EMPLOYED #4 Lien Unit Phone: (800) 913-6050	IRS Serial Number: 531279909

This Lien Has Been Filed in Accordance with
Internal Revenue Regulation 301.6323(f)-1.

Name of Taxpayer:

JOOS ELECTRIC CO, a Corporation

Residence:

3010 LUNAR LN
EAGAN, MN 55121-2218

With respect to each assessment below, unless notice of lien
is refiled by the date in column(e), this notice shall constitute
the certificate of release of lien as defined in IRC 6325(a).

Form (a)	Period (b)	ID Number (c)	Assessed (d)	Refile Deadline (e)	Unpaid Balance (f)
940	12/31/2000	41-1628065	03/09/2009	04/08/2019	\$35,837.46

Filed at: SECRETARY OF STATE SECRETARY OF STATE E ST PAUL, MN 55155	Total	\$35,837.46
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This notice was prepared and executed at CHICAGO, IL
on this, the 01st day of April, 2009.

Authorizing Official:

KIRK ALBRIGHT

Title:

REVENUE OFFICER

24-01-2825

1872

COURT RECORDING DATA

INTERNAL REVENUE SERVICE FACSIMILE FEDERAL TAX LIEN DOCUMENT BANKRUPTCY DOCKET: 10-30684	Lien Recorded : 04/10/2009 - 17:00PM Recording Number: UCC Number : Liber : Page :
Area: SMALL BUSINESS/SELF EMPLOYED #4 Lien Unit Phone: (800) 913-6050	IRS Serial Number: 531280009

This Lien Has Been Filed in Accordance with
Internal Revenue Regulation 301.6323(f)-1.

Name of Taxpayer:

JOOS ELECTRIC CO, a Corporation

Residence:

3010 LUNAR LN
EAGAN, MN 55121-2218

With respect to each assessment below, unless notice of lien
is refiled by the date in column(e), this notice shall constitute
the certificate of release of lien as defined in IRC 6325(a).

Form (a)	Period (b)	ID Number (c)	Assessed (d)	Refile Deadline (e)	Unpaid Balance (f)
940	12/31/2000	41-1628065	03/09/2009	04/08/2019	\$35,837.46

Filed at: COUNTY RECORDER
DAKOTA E
HASTINGS, MN 55033

Total

\$35,837.46

This notice was prepared and executed at CHICAGO, IL
on this, the 01st day of April, 2009.

Authorizing Official:
KIRK ALBRIGHT

Title:
REVENUE OFFICER 24-01-2825